

**MINUTES OF THE  
GOVERNOR'S BOARD OF ECONOMIC DEVELOPMENT**

August 28, 2007 • 2:00 pm  
Conference Call

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**Members on phone:** Ragula Bhaskar, Bill Boyle, Jack Brittain, Mary Draper, Stanley Ellington, Mel Lavitt, Amy Rees Lewis, Richard Nelson, Jerry Oldroyd, Cliff White

**Members Absent:** Molonai Hola, Nikos Linardakis, Gerald Sherratt, James Sorenson

**Visitors on phone:** Todd Brightwell, Juab County ED - Glenn Greenhalgh, Nephi Mayor – Mark Jones, Brice Wallace

**Staff:** Connie Gates, Amy Hamblin, Bill Loos, Michael Nelson, Pete Pletsch, Michael Sullivan

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**FiberTEK**

**Company Request:**

- An incentive of \$1,250,000 to offset the costs of infrastructure required in Nephi but not at alternative sites and costs associated with moving groups to Utah.

**Project Highlights:**

- 99 New Full time Employees in Nephi, Juab County, Utah
- Company Projected Wages: \$30,855 average which is 145% of the Juab County Median Wage
- New State Revenue: \$13,612,000 over 10 years
- New State Wages: \$36,589,000 over 10 years
- Capital Investment: \$32,500,000
- ROI Multiple: 3.3 times
- Competition: Arizona, Idaho, and New Mexico

**Local Incentives:**

- Nephi City / Juab County have committed \$165,000 for road and water infrastructure, and have applied for additional incentive dollars from EDA

Mark Jones, Mayor of Nephi City, discussed the importance of the project coming to the community. They are excited about the job opportunities that would be available for Nephi residents. The Mayor also said that they received positive feedback from employees, management and the community while visiting the Florida plant. There was question about the available talent in the Nephi area and if they would be able to fill the new jobs. The reply was that the community is confident that there would not be any problems finding talent. There were questions on how the company will train people. There was discussion about sending employees to the Florida plant and having current employees come to Utah to train. The power substation costs were discussed. What will the impact of the substation be to the community? The Mayor feels that the substation will be a good way to attract other business to the area.

There were questions regarding ownership of the land on which the substation would be built and also the surrounding areas. It was answered that FiberTek owns the substation land and several individuals and families own the land adjacent to the FiberTek property. The overall impact would be a benefit by attracting other businesses and the focus should be on the jobs that would be created. The water consumption of the proposed facility was discussed.

**MOTION: Jerry Oldroyd moved to approve for FiberTEK Insulation LLC a combined IAF and EDTIF incentive of up to \$4,000,000 rebating 30% of the expected new state revenue over 10 years. Bill Boyle seconded the motion. Jack Brittain opposed. Motion carried.**

- 1. An IAF incentive of \$1,250,000 on a post performance basis upon completion of the project and commencement of production at the project site.**

- 2. An EDTIF rebate of up to \$2,750,000 on a post performance basis rebating 30% of new state revenue after the IAF portion has been earned out.**

**Additional Requirements:**

- Company must commit to keep operations in Utah for a minimum of 10 years**
- New employee salaries to average at least 125% of the Juab County Median Wage (\$21,350)**
- IAF grant is subject to claw-back if not earned out from 30% of new state revenue over 10 years**

Meeting adjourned.